To: Barry Wood, Assessment Division Director
From: Ginny Whipple; Contract Representative
CC: Joyce Harvey; Knox County Deputy Assessor, Blane Bowlin; Tyler Technologies - Project Supervisor
Date: 06/23/2010
Re: Knox County Narrative

Dear Mr. Wood:

Knox County is a rural farming community. It was one of two original counties created in the old Northwest Territory in 1790 and was reduced to its present size in 1817. As of 2000, the population was 39,256. The county seat is Vincennes. Vincennes City contains roughly 41 percent of all the properties within the county. Other communities include the city of Bicknell and the towns Oaktown, Wheatland, Freelandville, and Monroe City. Adjacent counties include Sullivan to the north, Greene to the northeast, Daviess to the east, Pike to the southeast, Gibson to the south, Wabash, IL. to the southwest, Lawrence, IL. to the west, and Crawford, IL. to the northwest.

Each ratio study is contained on a worksheet in the enclosed Excel spreadsheet. The tabs are self-explanatory. There are separate tabs for each of the six property classes to be reviewed – residential vacant, residential improved, commercial vacant, commercial improved, industrial vacant, and industrial improved. All spreadsheets contain the thirteen entries required by 50 IAC 14-5-3 as well as the Median, COD and PRD. All multi parcel sales are highlighted in gray.

A spreadsheet titled "Knox County 2010 Ratio Study" is attached with this document along with the Workbook. The sales reconciliation spreadsheet includes a list of the sales that were marked valid in the sales file but were omitted or marked invalid and removed from the study and why.

Also, Duke Energy is currently expanding their facility. They have brought in roughly 2000 workers. The housing market activity, although hard to show or to determine, has been inflated by this influx of personnel. Apartment rentals have increased to the point of creating a waiting list. There were also numerous properties purchased and revamped by individuals, who had gained inside information regarding the influx of personnel, in an effort to capitalize on this market. The properties purchased started with structures needing a lot of work and were relatively distressed. Once those types of properties were consumed structures of better quality and condition were purchased, all at relatively inflated prices. Given the stable economic and market situation in Knox County this not a sustainable course. The median rent for residential housing units in the county is around $350 but these property owners have been asking and getting upwards of $1100 per month in some cases.

There were only five valid vacant residential sales; these are located in Vincennes City and Vincennes Township, they have been combined for trending. In reviewing the land to building allocation the data showed an average land allocation of 20%. This was deemed acceptable in light of a lack of adequate data. A review of these vacant land sales plus analysis using a land residual technique was conducted and the results showed that the land values generally remained consistent.

The ratio study shows that all Townships meet the State requirements for the Median, COD and PRD. The summary tab will show that there were an adequate number of sales in all but four of the nine townships. As such, the analysis indicated that the majority of parcels in the residential classes were within assessment levels and uniformity standards. There is no recommendation for adjusting the trending factors. Please note that the period of time from which sales were used for the ratio study were from January 2009 to March 2010. Every attempt was made to ensure a representative sample for each property class. Further analysis was conducted in an effort to study market fluxuation; this consisted of arranging the sales by the date of sale. The sales were arranged by year, month, and were also arranged into quartiles. This analysis shows that the market has remained relatively stable.

Sincerely,
Ginny Whipple
Contract Representative